

## DEPARTMENT OF FINANCE BILL ANALYSIS

**AMENDMENT DATE:** May 10, 2011  
**POSITION:** Oppose

**BILL NUMBER:** AB 732  
**AUTHOR:** J. Buchanan  
**RELATED BILLS:** AB 1021 (Gordon)

### **BILL SUMMARY:** Bond Measures: Ballot Pamphlet: Legislative Analyst

This bill would require, for state bond measures that are submitted to the voters for their approval or rejection, the summary of the Legislative Analyst's fiscal estimate (which appears on the state ballot pamphlet) to include an explanatory table of the information in the summary.

### **FISCAL SUMMARY**

According to the Legislative Analyst's Office (LAO), this bill would have no fiscal impact on the office.

The Secretary of State (SOS) reports that this measure would add information to the state ballot pamphlet. It is difficult to determine whether this measure would increase the number of pages in the pamphlet by adding a table for each bond measure, as provided. There are a number of variables that determine the size of the pamphlet, including (but not limited to) the number of measures, the length of the measures, and the length of the LAO analysis. According to the SOS, the average cost to print and mail the pamphlet is approximately \$66,000 per page. However, the pamphlet is formatted in 16-page increments so blank pages would likely be available. To the extent that a new increment would be needed as a result of this bill, it would cost approximately \$1.1 million General Fund (\$66,000 x 16 pages).

### **COMMENTS**

The Department of Finance is opposed to this bill because it could result in additional General Fund costs. Further, this bill may not be necessary because the fiscal analysis for a proposed measure is already included in both the circulating title and summary and in the analysis printed in the state ballot pamphlet. Additionally, for bond measures, it is our understanding that a discussion of the state's current bond indebtedness situation (prepared by the LAO) is already included in the state ballot pamphlet.

Existing law:

- Establishes a process for the Attorney General (AG) to prepare a summary of the main purposes and points of a proposed initiative measure and requires the AG to provide a copy of the title and summary to the Secretary of State, as provided.
- Requires the LAO to prepare an impartial analysis of each proposed measure, as provided, to be included in the ballot pamphlet. If the LAO estimates that the measure would result in increased costs to the state, the estimate of those costs must be printed in boldface print in the ballot pamphlet.
- Requires the title and summary of a measure on the ballot pamphlet to contain a summary of the LAO's fiscal estimate.
- Requires the ballot pamphlet to contain a section (prepared by the LAO) near the front of the pamphlet that provides a concise summary of the general meaning and effect of "yes" and "no" votes on each state measure.

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Analyst/Principal (0222) J. Fitzpatrick	Date	Program Budget Manager Lisa Ann L. Mangat	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS	Form DF-43 (Rev 03/95 Buff)
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**BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)****Form DF-43****AUTHOR****AMENDMENT DATE****BILL NUMBER**

J. Buchanan

May 10, 2011

AB 732

**COMMENTS (Cont'd)**

This bill would require the LAO's fiscal summary statement (which appears on the state ballot pamphlet) to include a chart, graph, or table of the information in the summary (for state bond measures that are submitted to the voters).

This bill also would specify that the space in the title and summary that is used for an explanatory table must not be included when determining compliance with space restrictions, as provided.

The Political Reform Act, an initiative measure, provides that the Legislature may amend the Act to further the Act's purposes upon a 2/3 vote in each house and compliance with specified procedural requirements (unless the amendments only add information to the state ballot pamphlet). This bill would add information to the ballot pamphlet and would require only a majority vote.

A related bill, AB 1021 (Gordon) of the current session, would require (among other things) certain language to be included in the LAO's fiscal summary statement in the state ballot pamphlet if a certain condition is met. Finance is also opposed to this bill (currently pending in the Senate Appropriations Committee) for similar reasons.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							Fund
	RV	98	FC	2011-2012	FC	2012-2013	FC	2013-2014	Code
0130/Joint Exp	SO	No	-----	No/Minor Fiscal Impact -----					0001
0890/Secty State	SO	No	-----	See Fiscal Summary -----					0001